

January 8, 1999

## **Important First Steps Toward Budget Process Reform Majority Leader Introduces Four Budget Reform Measures**

On January 6, Senate Majority Leader Lott introduced four resolutions that take the first serious steps toward reforming Congress' spending procedures. Together these resolutions address the problems that threaten to short-circuit the normal congressional funding process and result in government shutdowns or excessive federal spending.

Last year's end-of-the-year omnibus spending bill and the resulting spending in excess of the legal spending caps vividly demonstrated the need to reform Congress' budgeting procedures. Existing funding procedures too often have caused Congress unnecessary delay — in part by allowing a determined minority to intentionally pursue dilatory tactics on these critical bills — and unnecessary spending. The real victims here are the taxpayers, who expect their money to be spent responsibly, and the people who depend on the agencies and programs these bills support. There is no question therefore that reform is necessary.

The Majority Leader's proposal addresses this need for reform with four measures that would change the way the Senate handles federal spending legislation:

- S. Resolutions 4 and 8: Prohibit extraneous or unauthorized legislation from being added to Congress' must-pass funding bills by restoring and expanding Senate Rule 16.
- S. Resolution 5: Limit the possibility for excessive federal spending by establishing 60-vote requirements that "emergency spending" be in response to real emergencies.
- S. Resolution 6: Streamline the congressional funding process by limiting the amount of debate on, and the content of amendments to, budget resolutions which set overall spending levels.

### **Unlocking Appropriations Gridlock**

Senate Resolutions 4 and 8 address Rule 16 of the Standing Rules of the U.S. Senate, which imposes restrictions on offering extraneous legislative provisions to amendments to appropriations bills.

**S. Res. 4:** Introduced by the Majority Leader for Senator McCain, this resolution would reinstitute Rule 16 to its pre-1995 precedent form.

- On March 16, 1995, Senator Hutchison successfully appealed a ruling of the Chair that prohibited her offering of an amendment, which contained legislative language, to an emergency supplemental appropriation bill (HR 8899). The unintended consequence was the establishment of a precedent that allowed for virtually any amendment to be offered to an appropriations bill.
- This precedent has become a vehicle for unnecessary as well as deliberate delay as irrelevant legislation is offered by floor amendment, thus slowing or stopping consideration of the underlying appropriation bill. For example, last year the Agriculture appropriation bill was delayed by an attempt by Minority Leader Daschle to add tobacco legislation, while the Interior appropriation bill was pulled off the floor by, among other things, the threat by the Minority Leader to offer unrelated health care reform legislation to it.
- S. Res. 4 has been referred to the Rules Committee.

**S. Res. 8:** Introduced by the Majority Leader for Senators Stevens and Byrd, this resolution would expand and strengthen Rule 16.

- S. Res. 8 would also overturn the 1995 precedent and prevent any unintentional overturning in the future of Rule 16, extend Rule 16 limitations to *any* appropriations bill (including Senate-originated bills and conference reports), establish a nondebatable majority waiver, and make nondebatable the motion to proceed to an appropriations bill (when it is otherwise in order).
- It would furthermore establish a new procedure for conference reports that would restrict the addition of extraneous legislative provisions in conference, define extraneous as "any significant legislative provision not addressed in either version of the bill committed to the conference or any appropriations bill not committed to the conference" (not including language that "qualifies, limits or authorizes spending contained in the bill" or provides funds "pursuant to an authorizing bill passed after the appropriations bill"), allow for 2 hours of debate on a waiver, and allow for waiver or an appeal of the ruling of the Chair only by a 60-vote majority.
- S. Res. 8 has been referred to the Rules Committee.

## **Protecting Fiscal Responsibility**

Senate Resolution 5 would impose super-majority requirements on "emergency

spending," which is exempted from the overall spending limits imposed by statute and under Senate rules.

**S. Res. 5:** Introduced by the Majority Leader for Senator Domenici, this resolution would establish criteria for emergency spending, a supermajority point of order against any provision in legislation designated as an emergency, and for restrictions on debate for waiving such a point of order.

- Congress approved and the President signed \$21.4 billion in emergency spending at the end of last year. According to the Congressional Budget Office (CBO), this will result in lowering the surplus for FY 1999 by \$17 billion — from its previously projected \$80 billion to \$63 billion — thus violating the pledge the President made at last year's State of the Union speech to "reserve 100 percent of the surplus, that's every penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system." This represents the largest amount of emergency spending since the Gulf War in 1991. Finally, according to the Senate Budget Committee, this \$21.4 billion will grow to \$35.6 billion over ten years once interest costs are included.
- S. Res. 5 would require a committee reporting emergency spending legislation to determine whether their legislation meets emergency status as defined by five criteria: necessary, sudden, urgent, unforeseen, and temporary. These criteria form the basis of the definition devised by the Office of Management and Budget (OMB) in 1991. If the spending provisions do not meet these definitions, then the committee report is to "provide justification of why the requirement is an emergency."
- This resolution would establish a 60-vote point of order against provisions either in the legislation or in an amendment to the legislation that are designated as emergencies. Unless waived, the particular "provision along with the language making the designation shall be stricken from the measure and may not be offered as an amendment from the floor." Debate on such points of order are limited to one hour. This resolution would also provide a 60-vote point of order against non-emergency provisions ("riders") contained in emergency supplemental bills.
- S. Res. 5 has been referred to the committees on the Budget and Governmental Affairs.

## **Streamlining the Budget Process**

Introduced by the Majority Leader for Senator Domenici, S. Res. 6 would expedite the existing budget process established by the Budget Act by further limiting the time for debate and by restricting when amendments could be offered to Senate budget resolutions and budget reconciliation bills. These changes are modeled in general on post-cloture procedure.

- S. Res. 6 would reduce from 50 hours to 30 hours (maintaining the current 10 hours for conference reports) the amount of debate time for budget resolutions. After the 30 hours has expired, only the following are in order: pending amendments, points of order previously raised (and points of order against pending amendments), motions to reconsider, motions to table, motions to waive, and one quorum call immediately prior to the final vote.
- The resolution would reduce debate from 2 hours to 1 hour on any first degree amendment and from 1 hour to 30 minutes on second degree amendments. Sense of the Senate (“precatory”) amendments would not be germane and would be subject to a 60-vote point of order.
- First degree amendments are not allowed after 15 hours of debate has expired (second degree amendments after 20 hours) unless previously submitted in writing, and no Senator can call up more than two amendments until every other Senator has been allowed to do so. No more than two consecutive amendments to any amendment may be offered by either party. Finally, “once an amendment to an amendment (which is a complete substitute for the underlying amendment) has been agreed to, no further amendments to the underlying amendment” are in order.
- With respect to budget resolution conference reports, the only significant substantive change is: After ten hours of debate, only a final vote is permissible (except disposition of amendments in disagreement and amendments thereto, points of order, motions to reconsider, and one quorum call immediately prior to the final vote).
- The above provisions also apply to budget reconciliation bills (with the exception of the limitation that once amendments to amendments have been accepted, that no further amendments to the underlying amendment are in order).

## **An Important First Step**

Funding gridlock and fiscal irresponsibility are real threats. They threaten unintended government shutdowns and they drain away the resources that should be used to reduce the historically high tax burden and to reform the Social Security program. For those who are serious about avoiding government shutdowns, cutting taxes, and saving Social Security, reform is vital. The Majority Leader’s four proposals are a good first step. Along with Pay-go reform, definitive anti-government shutdown legislation, and other items — such as biennial budgeting — they begin the comprehensive reform that is demanded.

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Staff Contact: Dr. J.T. Young, 224-2946